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	IS-CMS-MUC/Bb	+49 89 5791-2170	+49 89 5791-2756	2008-01-11	1 of 5
	Werner Betzenbichler	Werner.Betzenbichler@tuev-sued.de			

Request for Review

Dear Sirs,

Please find below the response to the request for review formulated for the CDM project with the registration number 0791. In case you have any further inquiries please let us know as we kindly assist you.

Yours sincerely,

Werner Betzenbichler
Carbon Management Service

Industrie Service

Response to the CDM Executive Board

Issue 1:

The monitoring report stated that the generated electricity was supplied not only to the grid but also to a construction site of hydro power station, while the PDD stated the generated electricity is fed to the China Southern Power Grid. It also stated that "If the project did not supply power to Laqi construction site, Laqi electricity generation Co. Ltd would have to purchase its power from the grid. Therefore, the power directly supplied to Laqi is deemed as on-grid power." Further clarification is required on how the DOE verified the net electricity supply to the gird by the project activity and the calculation of the emission reduction.

Response by TÜV SÜD:

During the site visit, the DOE did the followings to verify the net electricity supplied to the grid by the project:

1. Made site inspection to make sure the electricity output from the project is the same as described in the Monitoring Report
2. Checked the power sales contracts for both on-grid electricity and electricity directly supplied to Laqi construction site to make sure the sales are legal.
3. Checked the meter record to verify the reported net electricity supply to the gird by the project activity
4. Cross checked the metered net electricity supply to the grid by the project activity with the sales receipts

In terms of the calculation of the emission reduction, please refer to the Excel worksheet which is also published on the EB web site. In this worksheet, detailed split of net electricity was clearly presented. The power directly supplied to Laqi is 2938.553 MWh (see also Annex 1). The receipt for power sold to Laqi construction site during this verification period is attached here (see Annex 2). The invoiced electricity sales is 2938.553 MWh, which is the same as the number in the Excel worksheet.

By reviewing the available documents and on-site inspections, the DOE is convinced that the electricity directly supplied to Laqi should be considered as on-grid power. Therefore, the net electricity reported by the Monitoring report is verified as being fed to the China Southern Power Grid.

To meet the energy demand of Laqi site the temporary direct connection is the only viable option as the costs for other options, such as installing a diesel generator at Laqi site are too high. It is also considered to be a conservative approach to use the relatively low grid factor of 0.626 $kgCO_{2e}/kWh$ which is below the default emission factor for diesel generator systems. Here the

emission factor amounts 0.8 $kgCO_{2e}$/kWh as described in AMS-I.D version 13 page 2 table I.D1.

Further the PP does not claim for more CERs, as the generated electricity which is not be transferred to Laqi construction site would otherwise be fed to the grid directly.

In conclusion, the calculation of the emission reduction as presented in the Excel worksheet is verified by the DOE.

Annexes:

Annex 1: Calculation of the Net electricity supplied by Maguan Daliangzi Hydro Power Station (as in the already uploaded Excel Spreadsheet)

Annex 2: Evidence for the power sold to Laqi Hydro Power Station construction site

Annex 1: Calculation of the Net electricity supplied by Maguan Daliangzi Hydro Power Station

2006 - 2007 Operation Data of Maguan Daliangzi Hydro Power Station

Unit MWh

Column ID	A	B	C	D	E	F	G	H
Metering Period	Start date	End date	Power generation	Total On-grid Power Output	On-grid Detail			Parasitic load & loss
					Maguan Grid	Wenshan Grid	Laqi Hydro Power Station	
Data source	N/A	N/A	Measurement	D=E+F+G	Measurement		Measurement	H= C - D
April-06	27-Mar-2006	23-Apr-2006	6233,400	6107,640	6107,640			125,760
May-06	24-Apr-2006	23-May-2006	6855,900	6718,580	6718,580			137,320
June-06	24-May-2006	23-Jun-2006	5386,500	5354,080	5354,080			32,420
July-06	24-Jun-2006	23-Jul-2006	18069,300	17654,120	17654,120			415,180
August-06	24-Jul-2006	23-Aug-2006	21938,700	21673,761	18676,510	2907,251	90,000	264,939
September-06	24-Aug-2006	23-Sep-2006	20663,100	20354,680	17225,553	2991,127	138,000	308,420
October-06	24-Sep-2006	23-Oct-2006	13816,500	13492,520	10740,462	2584,058	168,000	323,980
November-06	24-Oct-2006	23-Nov-2006	9798,600	9590,110	8913,619	427,581	248,910	208,490
December-06	24-Nov-2006	23-Dec-2006	6846,000	6596,489	6217,200		379,289	249,511
January-07	24-Dec-2006	23-Jan-2007	5317,800	5230,623	4730,440		500,183	87,177
February-07	24-Jan-2007	23-Feb-2007	4677,000	4585,960	4117,960		468,000	91,040
March-07	24-Feb-2007	23-Mar-2007	3138,000	3129,306	2736,800		392,506	8,694
April-07	24-Mar-2007	23-Apr-2007	5940,300	5914,185	5360,520		553,665	26,115
			128681,100	126402,054	114553,484	8910,017	**2938,553**	2252,931

Annex 2: Evidence for the power sold to Laqi Hydro Power Station construction site